

EXHIBIT to BOH  
DATE 2-13-09  
HB 507

Mr. Chairman and members of the committee,

For the record I am Jason Todhunter and I represent the Montana Logging Assoc. Our members strongly support Montana's current three way system for workers comp and feel that it is the best way to maintain a competitive market for work comp in Montana. It is for that reason that we rise in opposition to HB 507. We currently have two workers comp groups for our members; one with the Montana State Fund and another with a Plan 2 private insurer. We have a safety services agreement with the MSF and one with the Plan 2 group. We believe that investing in safety will reduce work comp premiums by reducing accidents. Our concern with this bill is that it is going to increase costs for our members in the MSF group. If you look at page 2 line 16-18 you see that there is a cost to the State Fund. That cost will undoubtedly be past on to the insured's which are our members in the MSF group. With the current cost of workers comp in Montana already high nothing but higher rates can be attained by increasing costs for one of the three plans. Thank you for your time and attention.

Jason Todhunter